



Norman H. Bangerter  
Governor  
Dee C. Hansen  
Executive Director  
Dianne R. Nielson, Ph.D.  
Division Director

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340

DOGM  
MINERALS PROGRAM  
FILE COPY

July 12, 1990

Certified Return Receipt Requested  
P074 978 718

Mr. E. B. King  
President  
Jumbo Mining Company  
6305 Fern Spring Cove  
Austin, Texas 78730

Dear Mr. King:

Re: Proposal for Amendment of Mining and Reclamation Plan and Reclamation Surety,  
Drum Mine, M/027/007, Millard County, Utah

On June 25, 1990, the Division received your request/proposal to amend Jumbo Mining Company's (JMC) approved Drum Mine permit application. Your recent proposal was submitted in response to my May 31, 1990 letter regarding JMC's request for Division approval of the 60-day test leach of pads No. 2 LG and No. 7.

As I indicated in my May 31st letter, the Division could allow JMC to commence test leaching of these pads under either of the following provisions:

1. JMC obtain written permission from Western States Minerals Corporation (WSMC) to commence said 60-day test leach of pads No. 2 LG and No. 7.
2. JMC amend their approved permit and update the current reclamation surety accordingly to include pads No. 2 LG and No. 7.

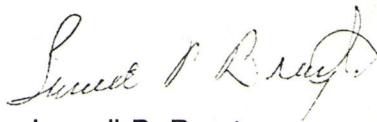
JMC has elected to pursue the second provision as indicated by your June 25th submission. The Division is presently evaluating your proposal for technical adequacy. We hope to provide our review response to you within the near future.

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M/027/007  
July 12, 1990

As part of the permit amendment process, JMC will need to revise the original permit transfer document (FORM MR-TRL) to reflect the proposed change. Therefore, we have attached a copy of the original permit transfer document that must be revised accordingly. Once JMC has made the necessary changes to the permit transfer form, the revised form will need to be signed by both JMC and WSMC before it can be accepted by the Division. Upon our receipt of the signed/revised form from JMC, we will revise Attachment 1, "Conditions of Transfer", to reflect JMC's proposed changes. Also attached is a complete copy of the Division's July 26, 1989, permit approval documentation for your reference and files.

The Division will be prepared to approve this permit amendment once the application has been determined technically adequate, the permit transfer form has been revised appropriately, and the reclamation surety has been updated accordingly. Any change in the amount and/or form of reclamation surety will require a formal approval by the Board of Oil, Gas and Mining. Thank you for your cooperation, we will proceed with our review of your proposal and contact you regarding the technical adequacy as soon as possible. We are presently processing your June 23, 1990, technical review response concerning the Mizpah Pit permit change as well. Our Mizpah review should be completed before the end of the month.

Sincerely,



Lowell P. Braxton  
Associate Director, Mining

Attachments

DWH/jb

cc: Frank Filas, WSMC  
Dave Hartshorn, JMC  
Phil Allard, House Range RA, BLM  
Don Ostler, BWPC  
Minerals Staff

WMN.2/1-2